

who have children knows how readily accessible the Internet is. If you are like I am, when you have a computer problem you ask your child how to fix it, because the children know how to make it work. My forehead still breaks out in perspiration and my hands shake when I try to send e-mail. But the kids can not only send the e-mail for you, they can tell you how to send it, fix the problems on it, and make things happen. We want to make sure that what they do not make happen is that they get access to things that are now banned to them through adult book stores, through broadcast media, through telephone communications. They should not be subject to the deviants, the pornographers, the child molesters who want to use the Internet in an interactive way to get access to our children.

There are, unfortunately, an abundance of examples of where pervers have used Internet communications to communicate with and to lure young children to locations away from their homes. They have used pornography as a tool. Not only have they polluted children's minds with this pornography, but they have used it as a tool for their own, very sick purposes.

In Louisville, I know there was a 12-year-old girl who was sent a bus ticket and left home without her parents knowing about it. These examples have happened time and time again. I believe this Congress had every right to say it is OK for adults to communicate anything they want but you cannot be sending material to children that is pornographic. You cannot be putting pornographic information on the kiddie chat rooms.

Contrary to what the ACLU will tell you, the Communications Decency Act does not ban speech or interrupt the free exchange of ideas. There is technology available that can keep children from gaining access to it. And if it takes a pornographer a little more difficulty to communicate pornographic materials to another consenting adult, so they do not get the information before children, I am not going to lose any sleep over it.

There is every reason that we can, under the Communications Decency Act, continue to use the Communications Decency Act for communicating medical information, discussing literature—these are not banned. If the purpose is getting pornography, for pornographic purposes or even personal whims of those who communicate it, to children, that the Communications Decency Act bans.

I think this should be upheld. I am proud to be one of the signers of the brief and we will all be watching to see this very important case resolved by the U.S. Supreme Court.

I yield the floor.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

THE BUCK MUST REST SOMEWHERE ELSE

Mr. COATS. Mr. President, yesterday, I took the floor to detail what I thought was an extremely disturbing and very potentially abuse of Executive power of the White House to improperly influence the outcome of the American Presidential election. As part of that chronology of events of information that we now know that has been printed and that we are aware of, I detailed the situation relative to the latest scandal that has been reported in the press, and that involves Mr. Lake, former National Security Adviser to the President, an individual nominated for the job as Director of the CIA.

Mr. Lake, as we all now know, withdrew his name from consideration the day after a major story broke about a problem involving the Democratic National Committee, the Central Intelligence Agency, the National Security Council, and the fundraising operation of the White House. I think this is probably the most damaging, or at least one of the most damaging allegations relative to the entire fundraising efforts by the Democratic Party for this last election. We now know that the Central Intelligence Agency was used by the Democratic National Committee to encourage access to the President by an individual who is an international fugitive and was a major donor to the Democratic Party.

The administration, in response to Mr. Lake's withdrawal, indicated that it was the confirmation process by members of the Intelligence Committee that is at fault in the withdrawal of the Lake nomination. The fault, Mr. President, I suggest, lies elsewhere. The Lake nomination was eventually undermined because Mr. Lake was forced to operate, or at least chose to operate or was forced to operate, in the very center, the very heart of a political fundraising machine whose abuses are revealed to us each day as we pick up the paper in the morning.

The White House blames partisan Republicans, and yet a major story in the New York Times today, titled "Leading Democrat Tells of Doubt of CIA Nominee, White House Was Warned, Senator KERREY's Reservations May Have Persuaded Lake Not To Fight the GOP," hardly speaks to a partisan effort to dethrone Mr. Lake.

Legitimate questions were asked of Mr. Lake of what his role was as National Security Adviser to the President in terms of clearing certain individuals to come to the White House for various favors, coffees, Lincoln Bedroom stays, et cetera, and, on several occasions—at least two that we know of—the National Security Council issued very direct reservations and, in fact, warnings about certain individuals who, nevertheless, attended more than one meeting at the White House.

Mr. Lake's response was that he essentially was out of the loop; he did

not know what was going on. Legitimate questions were raised: If you did not know what was going on with a 150-member staff that went to the very essence of the Presidency, of who sees the President, of what the involvement of these individuals is relative to fundraising for the election, if you are not aware of that going on, how are you possibly going to manage a multithousand-member agency with 12 separate divisions as important to the security of the United States as the Central Intelligence Agency?

So even though the White House blamed partisan Republicans, we now know that the vice chairman of the Intelligence Committee had raised his own concerns about Mr. Lake's qualifications and what his role was and the role of the National Security Council in terms of all this fundraising morass that the administration is caught up in.

Mr. President, fortunately, publications that are following the story are not buying the White House response. The New York Times editorial today states:

In the end, Mr. Lake was undone by Mr. Clinton's reckless 1996 election campaign and the failure of top White House officials, including Mr. Lake, to insulate American foreign policy from fundraising efforts.

That is an extraordinary statement, Mr. President, and I want to repeat it. The New York Times editorial today refuting the White House response to Mr. Lake's withdrawal from nomination to be CIA Director, states:

In the end, Mr. Lake was undone by Mr. Clinton's reckless 1996 election campaign and the failure of top White House officials, including Mr. Lake, to insulate American foreign policy from fundraising efforts.

Jim Hoagland, in today's Washington Post, states:

[Lake] is not a victim of the system but of the President he served. His angry words try to obscure an embarrassment and the true dimension of one more political fiasco at the Clinton White House. One more close Clinton associate is badly damaged while the President cruises on with high but flagging approval ratings.

To continue:

The system that did in Tony Lake is the one that allowed the fundraisers to trump Lake's staff repeatedly over access to the White House.

In Washington the system is people—people who are supremely attuned to the wishes, needs, and whims of the boss. If Roger Tamraz, Chinese arms supplier Wang Jun, Thai trade lobbyist Pauline Kanchanalak and the others made it into the White House, it is ultimately because Bill Clinton communicated, in one form or another, that he did not want tight screening of campaign contributors. In the end, Tony Lake paid the price for Clinton's need not to know.

That from today's Washington Post. Then, finally, Maureen Dowd in the New York Times states:

Although Mr. Lake's "haywire" line got all the attention—

That is referring to a process "gone haywire" that Mr. Lake stated—it was another sentence in his letter that provided the real reason for his withdrawal.

Quoting Ms. Dowd:

In addition, the story today about the activities of Mr. Roger Tamraz is likely to lead to further delay as an investigation proceeds.

Maureen Dowd goes on to state:

Mr. Lake would have had a tough time explaining why he was missing in action while the Democratic Party tried to use the CIA to pressure Mr. Lake's office to help get an accused embezzler and big donor access to the White House. The cold war might be over, but don't these agencies have something better to do than vet global hustlers and fat cats?

Sheila Heslin, an NSC Asia expert with a regard for ethics unusually high for the Clinton White House, offered to shield the President from the notorious Roger Tamraz. But like the ubiquitous Johnny Chung, who also got into the White House despite tepid NSC warnings, Mr. Tamraz had his run of the people's house.

So that's why Tony Lake pulled out:

She concludes—

He was not Borked. He was Tamrazzed.

Mr. President, former President Harry Truman had on his desk a sign that said, "The buck stops here." Unfortunately, it seems that the sign posted throughout the White House and throughout this administration is "The Buck Must Rest Somewhere Else; It Sure Doesn't Stop Here."

Mr. President, we have a very serious situation before us. We have allegations, backed by substantial evidence, that the executive power of the White House was abused to improperly influence the outcome of an American Presidential election. We have serious questions about foreign governments' involvement at invitation by the Democratic Party and the Clinton administration, involvement in helping corrupt American elections. We have serious allegations, backed by considerable evidence, that the privilege of American citizenship has been distorted and undermined to serve the President's reelection. And now we are forced to ask, were American intelligence services manipulated by this administration as part of this fundraising machine?

All of this, Mr. President, speaks for the need for independent counsel, speaks for the need to move this process outside of the Congress because clearly the administration has taken the position that whatever is said by this Member or any other Member of the Republican Party is simply partisan politics, that everything that happens is directed from a partisan basis.

What we are trying to get at here, Mr. President, is the truth. What we are trying to do is examine what statutes were violated, trying to examine what ethics rulings were violated, trying to impose some standards on the way in which we conduct elections in this country and the way in which the White House is viewed and held by occupants of that White House and what its purpose should be.

Mr. President, for that reason, I supported the resolution to call for an independent counsel. I would hope that the Attorney General would pay close

attention to the recently passed Senate resolution in that regard. I think these are serious issues and they must be addressed.

Finally, let me just say that the practice of this administration and this President of simply saying, the process is corrupt, that the Congress is partisan, that all of this has to do with politics and none of this has to do with ethics and legal violations, that that is a lame excuse and removal from accountability and responsibility that we expect in the leadership of this country.

Mr. President, I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, let me thank the Senator from Indiana for bringing together for us what is a perplexing issue.

I had watched from afar, because I am not a Member of the Intelligence Committee, the process of the interviewing of the nominee, Tony Lake. While I know there was considerable controversy and an unwillingness on the part of this administration to send forth the full FBI file, that was really the only argument I ever heard. Finally some of that file came, but certainly not all of it did, nor was there ever full disclosure.

Yet on the evening news last night I watched a very indignant President talking about the corruption of the procedure. And nowhere during all of this did I understand that there was any corruption, only a request for knowledge, for information to decide whether the No. 1 intelligence officer of this country was eligible to serve in that position.

The Senator from Indiana has told us the rest of the story. And the rest of the story is that Tony Lake is a refugee of this administration's mispractices, if not illegal acts. He is not a refugee of this Congress' failure to act, because we were doing what is our constitutional responsibility.

I, too, today voted for an independent counsel. Two weeks ago I called for an independent counsel, as I think most of us were growing to believe that anything we did here would be either tainted by the opposition or tainted by the media as somehow a partisan act.

What the Intelligence Committee of the Senate did was not partisan. It was constitutional. It was responsible. What the President did in his "mea culpa, mea culpa" last night was the first to the altar of the sinners to say "not I" when in fact the stories are now pouring out that somehow the process was corrupted and that Tony Lake, as an instrument of that process, grew corrupt along with it.

Just because the great Soviet empire and communism as a sweeping rave of "isms" around the world seems to be on the rapid decline, is foreign policy and the integrity of foreign policy in our country any less important? I would suggest that it is not.

When foreign countries wish to influence the most economically powerful country in the world for purposes of commerce or access to its decision-making, that in itself is of concern. And it has to be this Congress that understands that and this President that understands that and in no way allows foreign policy, decisionmaking, or any part of that process to be biased by undue influence. And yet day after day, now almost hourly, the stories pile up. Tony Lake is now part of that story.

Janet Reno must step aside from what appears to be at this moment a gross conflict of interest and do what is her statutory responsibility, and that is to appoint an independent counsel. Then let the chips fall where they may. And I do not know where they will fall. And I do not think the Senator from Indiana knows.

We are talking about allegations, allegations that were first launched, not by a politician, but by the media itself. It was an article in the Los Angeles Times back in the latter days of the last campaign that argued that somehow there appeared to be an issue of corruption or an issue of compromise or an issue of illegality as it relates to how this administration, most importantly, this President and his Presidential campaign had raised money.

Now Janet Reno, do your job. Call the independent counsel. Get on with the business of ferreting out whether there were illegal acts involved in the corruption of or the compromise of this President and this President's foreign policymaking.

And, thank goodness, through all of the winnowing process Tony Lake is now out of the picture and we can get on with the business of reviewing nominees who can meet the test of integrity and legitimacy in conducting what is still a very important part of this country's affairs, and that is our intelligence-gathering network, the eyes and ears of a government who is responsible for conducting the foreign policy of a nation that still remains critical to the security of our country and our financial and economic well-being.

I thank my colleague from Indiana for so clearly pointing these issues out. I yield back my time.

Mr. COATS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. We are in morning business until 3 o'clock, with a 5-minute limitation.

Mr. BYRD. Mr. President, I will need more than 5 minutes. May I ask the distinguished Senator from Nevada, does he wish to speak?

Mr. BRYAN. Mr. President, if I might respond, the Senator from Nevada needs about 5 to 6 minutes, but if that inconveniences the Senator from West Virginia, I am happy to wait. Whatever the Senator wishes.

Mr. BYRD. Mr. President, I ask unanimous consent I may speak for not to exceed 20 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent I may yield to the Senator from Nevada for not to exceed 5 minutes, without losing my right to the floor.

Mr. BRYAN. I appreciate that. That would accommodate the Senator from Nevada.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. Mr. President, let me preface my remarks by acknowledging the courtesy from the senior Senator from West Virginia. I appreciate his courtesy in allowing me to make a floor statement for a period not to exceed 5 minutes.

HOMEOWNERS' PROTECTION ACT OF 1997

Mr. BRYAN. Mr. President, yesterday in the Senate Banking Committee American consumers were dealt a major setback. The committee was expected to vote out legislation that would have ended a practice that costs hundreds of thousands of homeowners millions of dollars per year.

The Banking Committee was scheduled to vote out S. 318, the Homeowners' Protection Act of 1997 which is sponsored by Senators D'AMATO, DODD, DOMENICI, and myself. This bill would outlaw the practice of overcharging homeowners for private mortgage insurance they no longer need.

Unfortunately, Chairman D'AMATO was forced to cancel the markup because a number of Members put the interest of a small, yet highly profitable, industry over the public's interest. To make matters worse, this industry is clearly taking advantage of millions of Americans in an unconscionable manner.

The opponents of Chairman D'AMATO's legislation argue that the bill places too heavy a burden on this one industry. I do not share their opinion and believe the interests of millions of American homeowners should be put ahead of an industry that is clearly taking advantage of these same homeowners.

Those protecting the industry need to heed the advice of one of their colleagues, Congressman JAMES HANSEN. Let me share from Congressman HANSEN's observations:

As a small businessman for most of my life . . . I have learned that if an industry polices itself, the government should not interfere. I firmly believe that the government should stay out of the private marketplace. However, when an industry does not follow even its own guidelines, I believe it is our responsibility to draw that line.

Now that comes, Mr. President, from one of our more conservative colleagues who serves in the other body.

I commend Chairman D'AMATO for his leadership in introducing this important legislation that will affect millions of homeowners. Let me indicate how important that is and how many people are affected.

In 1996, of the 2.1 million home mortgages that were insured, more than 1 million required private mortgage insurance. One industry group has estimated that at least 250,000 homeowners are either overpaying for this insurance or paying when it is totally unnecessary. At an average monthly cost of \$30 to \$100, unnecessary insurance premiums are costing homeowners thousands of dollars every year.

Now, clearly, private mortgage insurance serves a useful purpose in the initial mortgage lending process. It enables many home buyers who cannot afford the standard 20-percent downpayment on a home mortgage to achieve a dream of home ownership. While private mortgage insurance protects lenders against default on a loan, there comes a time when that protection afforded to the lender becomes unnecessary, and the point, it seems to me, is reached when the homeowner's equity investment in the residence gives the lender sufficient assurance against default.

The comfort level generally within the industry has been 20 percent. So it stands to reason that PMI is not necessary for risk management and prudent underwriting procedures once the homeowner has reached the 20-percent equity mark. Therefore, borrowers who amass equity equal to 20 percent of their homes' original value should be treated in the same way as borrowers who are able to make a 20-percent downpayment or more at the outset of the loan.

The Homeowners' Protection Act of 1997 would ensure that existing and future homeowners would not continue to pay for private insurance when it is no longer necessary. Specifically, this legislation would inform the borrower at closing about private mortgage insurance and outline how the servicer of the loan will automatically cancel the mortgage insurance, assuming the transaction is not exempt from cancellation when the loan balance reaches 80 percent of the original value.

Mr. President, there is no doubt that private mortgage insurance is an important tool in the American system of mortgage finance. However, retaining private mortgage insurance beyond its usefulness to the homeowner is a practice that should be ended. The Homeowners' Protection Act will prevent present and future homeowners from paying for private mortgage insurance that is no longer needed. This proposal will end the unfair practice and protect the consumer.

This legislation is supported by almost every consumer group, but also

leading industry groups such as the American Bankers Association, the National Association of Realtors, and the National Association of Homebuilders.

I urge my colleagues to move forward on this important piece of consumer legislation and put the industry's objections below the overriding public interest. We must lift this unfair burden from American homeowners.

I thank the Chair. I thank my senior colleague from West Virginia for his courtesy. I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia.

COMMISSION TO ELIMINATE THE TRADE DEFICIT

Mr. BYRD. Mr. President, I am pleased to join with the distinguished Senator from North Dakota, Senator DORGAN, in introducing an ambitious new effort on the matter of our nation's persistent and growing trade deficit. This legislation would establish a Commission to take a broad, thorough look at all important aspects of, and solutions to the growing U.S. trade deficit, with particular attention to the manufacturing sector.

The trade deficit, as my colleagues know, is a relatively recent phenomenon, with large deficits only occurring within the last 15 years. In the 1980's, the U.S. merchandise trade balance ballooned from a deficit of \$19 billion in 1980 to \$53 billion in 1983, and then doubled in a year, to \$106 billion in 1984. Last year it stood at \$188 billion, setting a new high record for the third consecutive year. Projections by econometric forecasting firms indicate long term trends which will bring this figure to over \$350 billion by 2007. No one is predicting a decline in the near future. If we do nothing, within 2 years the merchandise trade deficit will equal the annual budget for national defense.

To reiterate, in 1996 the United States had the largest negative merchandise trade balance in our history, some \$188 billion, and it is the third consecutive year in which the deficit has reached a new record high.

This legislation is committed to a goal of reversing that trend of the next decade. The goal of the commission is to "develop a national economic plan to systematically reduce the U.S. trade deficit and to achieve a merchandise trade balance by the year 2007."

While it is not clear what the particular reasons for this growing trade deficit may be, nor what the long term impacts of a persistently growing deficit may be, the time is overdue for a detailed examination of the factors causing the deficit. We need to understand the impacts of it on specific U.S. industrial and manufacturing sectors. Furthermore, we need to identify the gaps that exist in our data bases and economic measurements to adequately understand the specific nature of the